



# Dow's Response

## Sustainable Development

# Leadership Perspective

*“We don’t view sustainable development as a choice. It is an imperative, a ‘must do,’ an absolute responsibility for any company doing business in today’s global economy.”*

# Dow's Key Stakeholders

- Shareholders
- Employees
- Customers
- Society

# The Business Case

- Shareholders →
  - Employees
  - Customers
  - Society
- Reduce costs and liabilities
  - Improve standing among investors

# The Business Case

- Shareholders
  - **Employees** →
  - Customers
  - Society
- Increase commitment and motivation
  - Increase ability to attract and retain employees

# The Business Case

- Shareholders
- Employees
- Customers →
- Society

- Increase customer loyalty and improve market position
- Promote innovation
- Create business opportunities
- Help identify new customers

# The Business Case

- Shareholders
- Employees
- Customers
- Society →

- Enhance our reputation
- Strengthen stakeholder relationships
- Create potential for new business
- Protect our license to operate

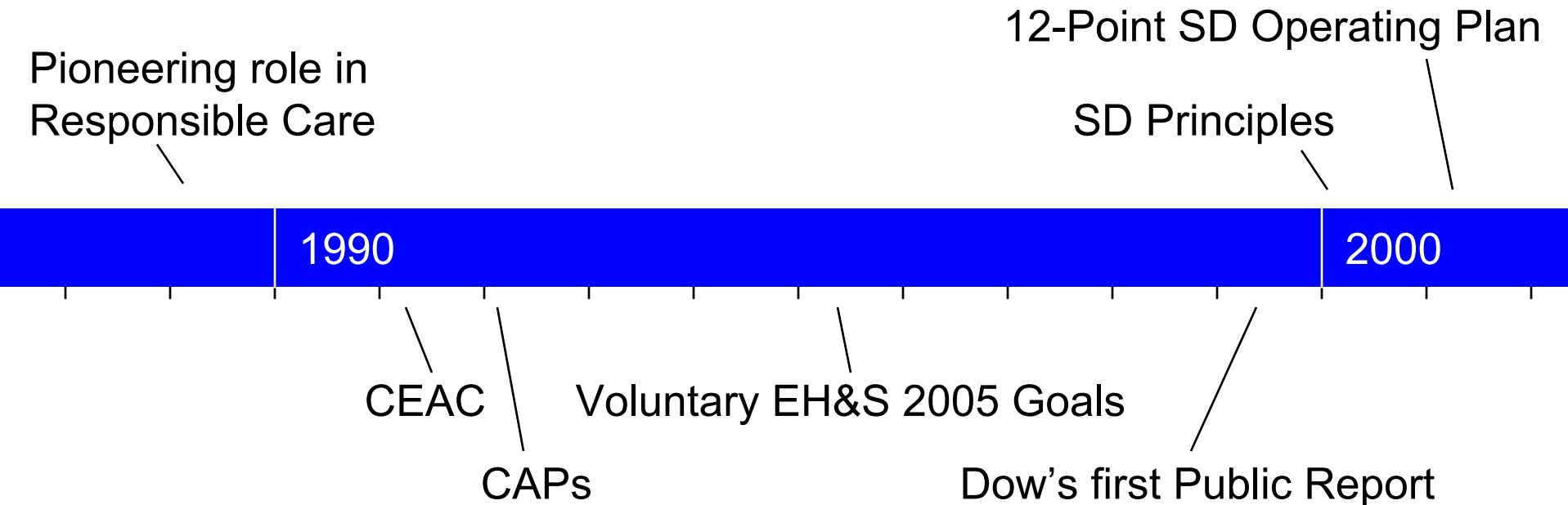
*“If you can’t do it better,  
why do it?”*

– Herbert Henry Dow





# Leading Up to Now...



# Leading Up to Now...

**Pioneering role in  
Responsible Care**

12-Point SD Operating Plan

SD Principles

1990

2000

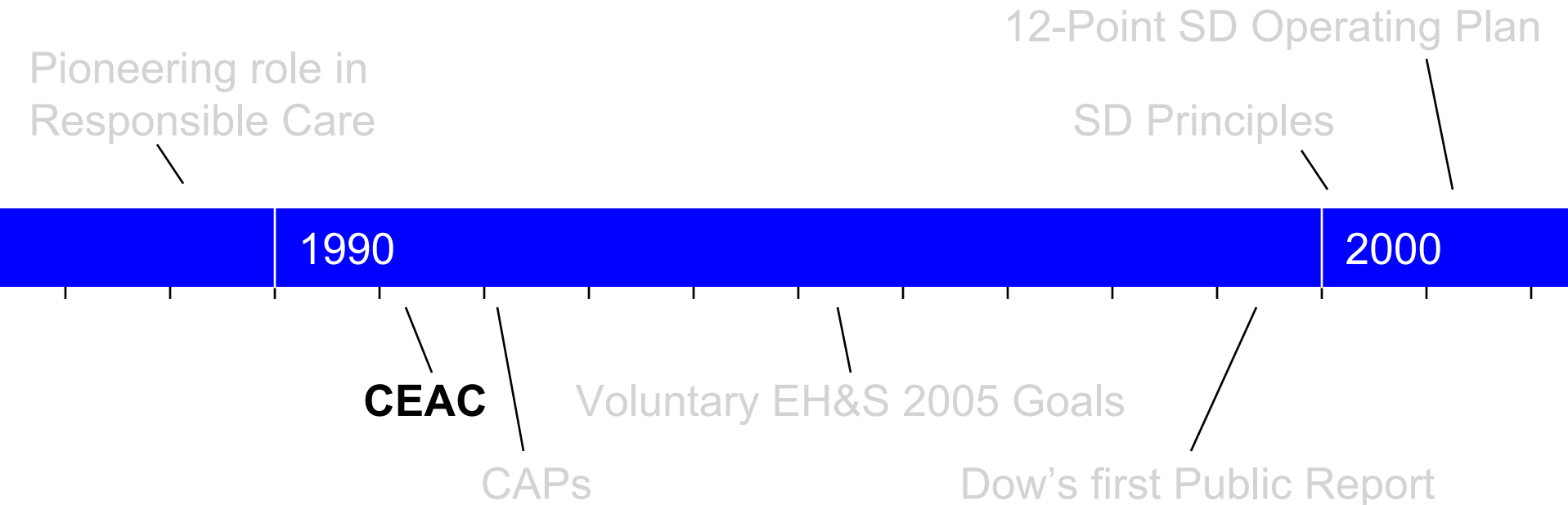
CEAC

CAPs

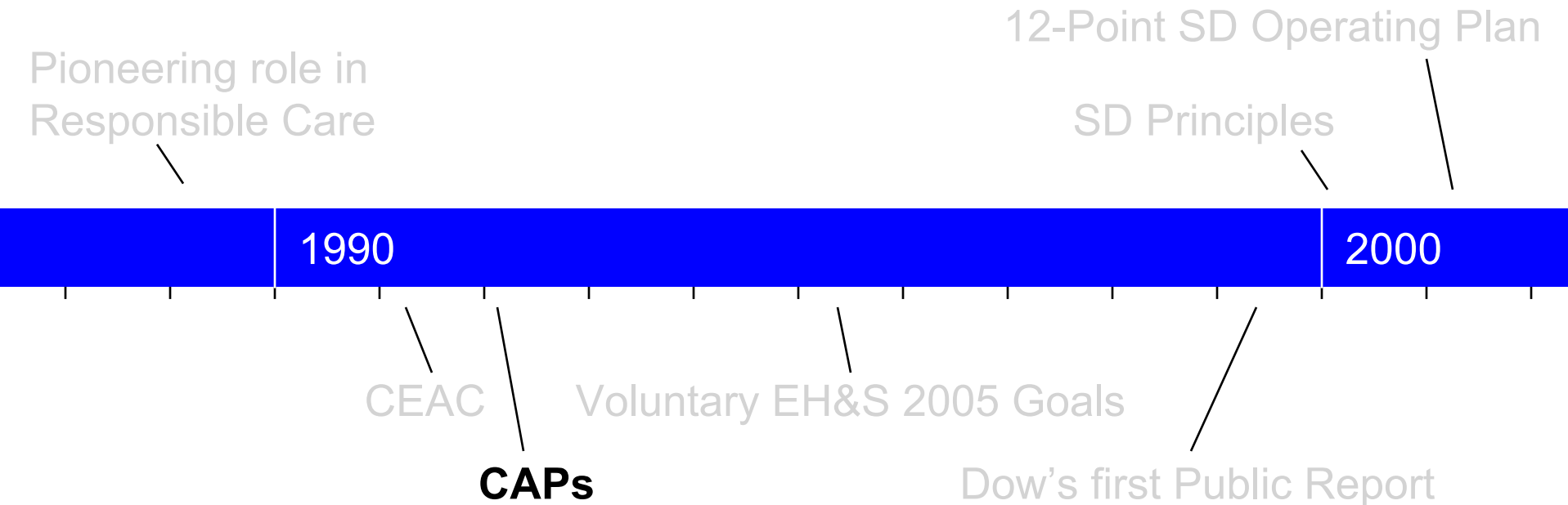
Voluntary EH&S 2005 Goals

Dow's first Public Report

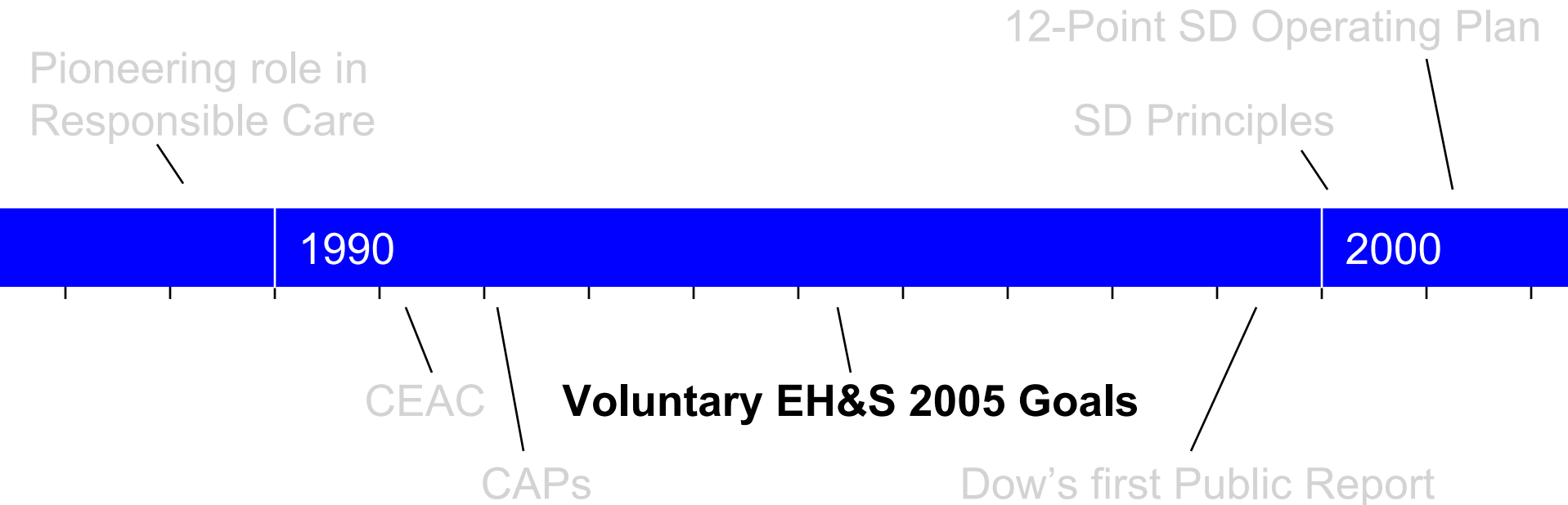
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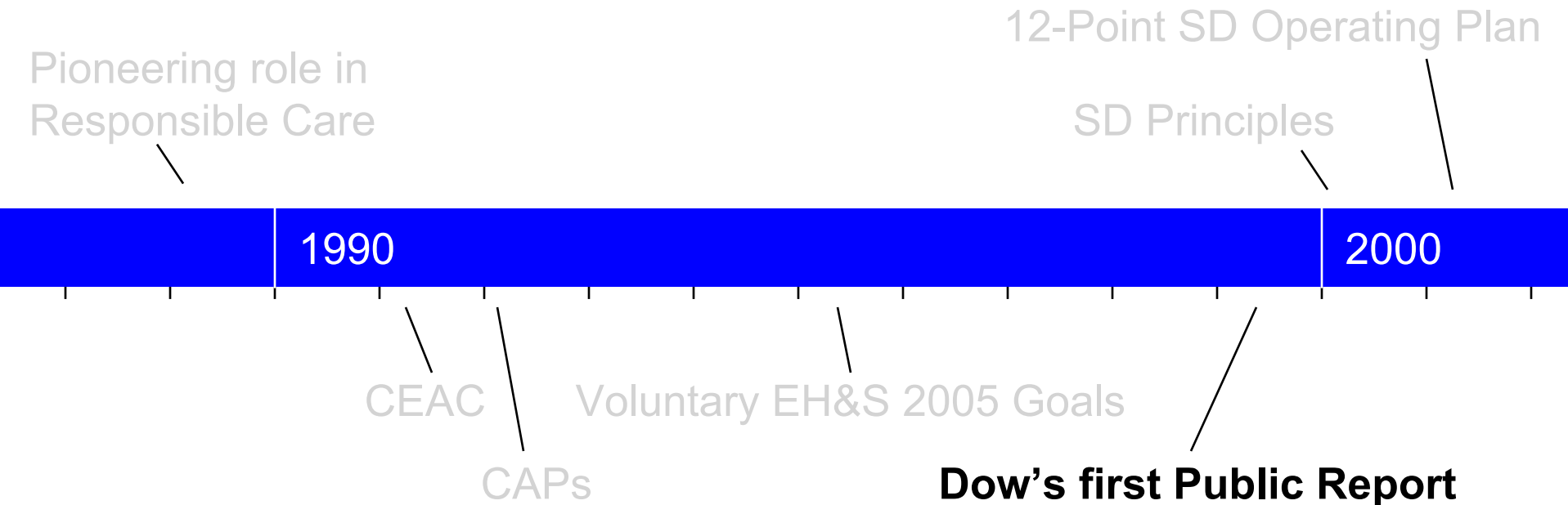
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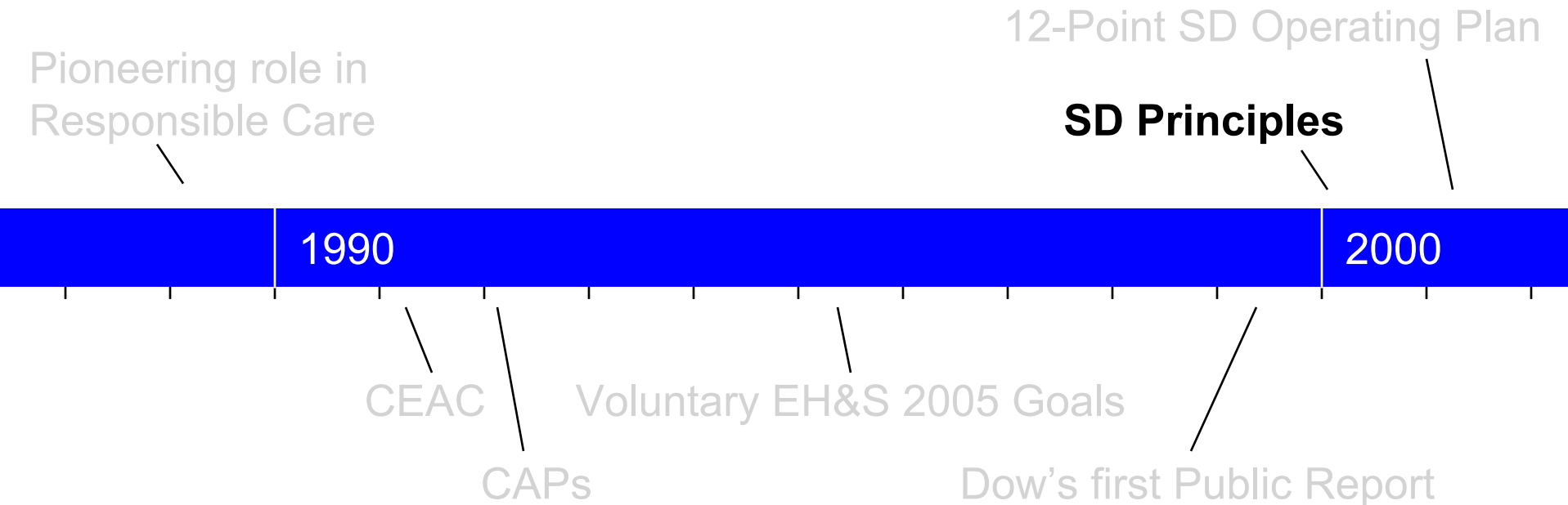
# Leading Up to Now...



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# Sustainable Development Principles

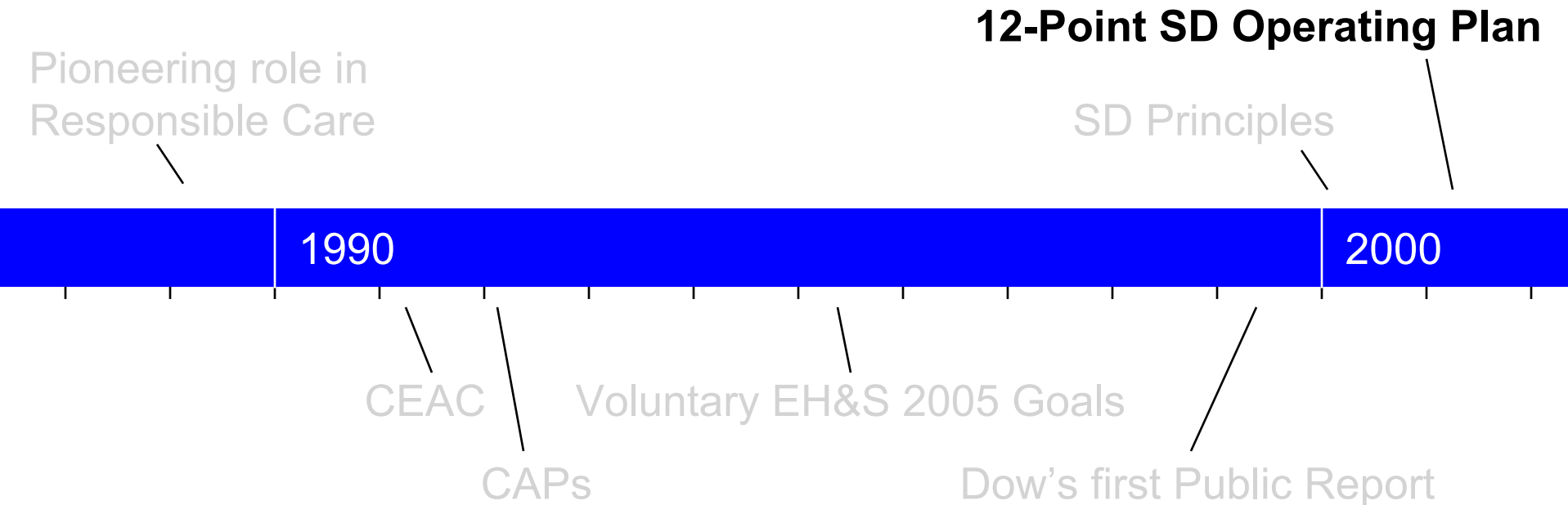
- Measurement and Transparency
- Eco-Efficiency
- Local Versus Dow Standards
- Product Stewardship



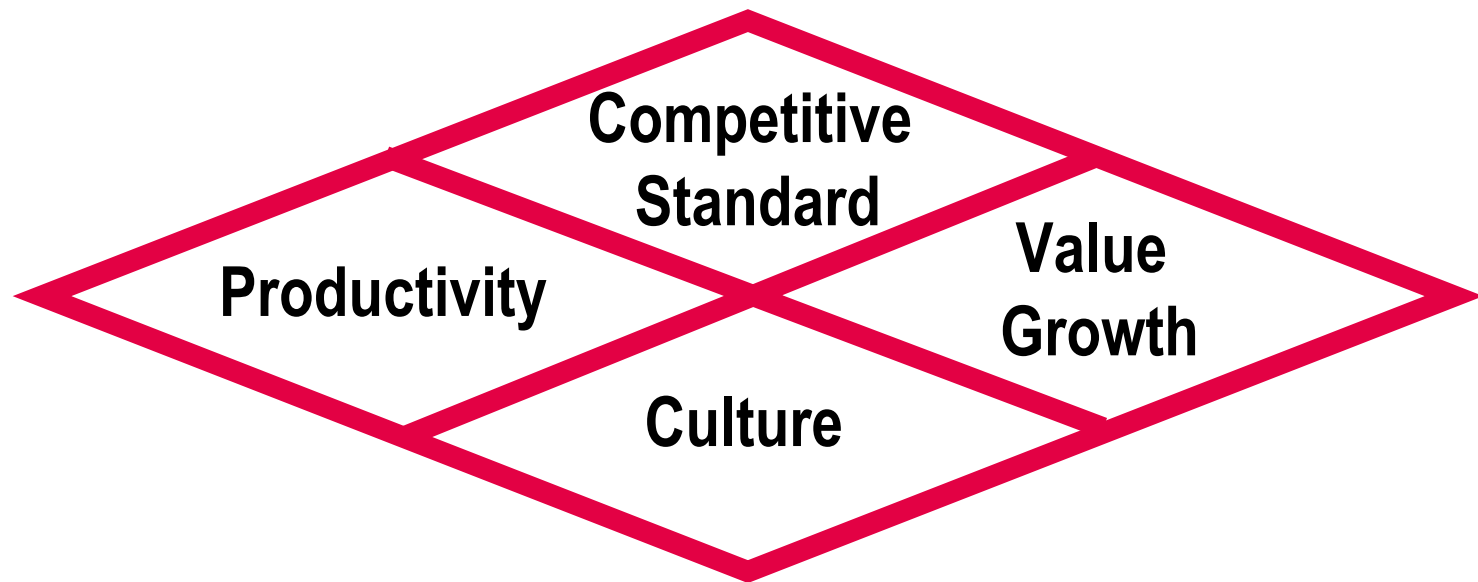
# Sustainable Development Principles, *cont.*

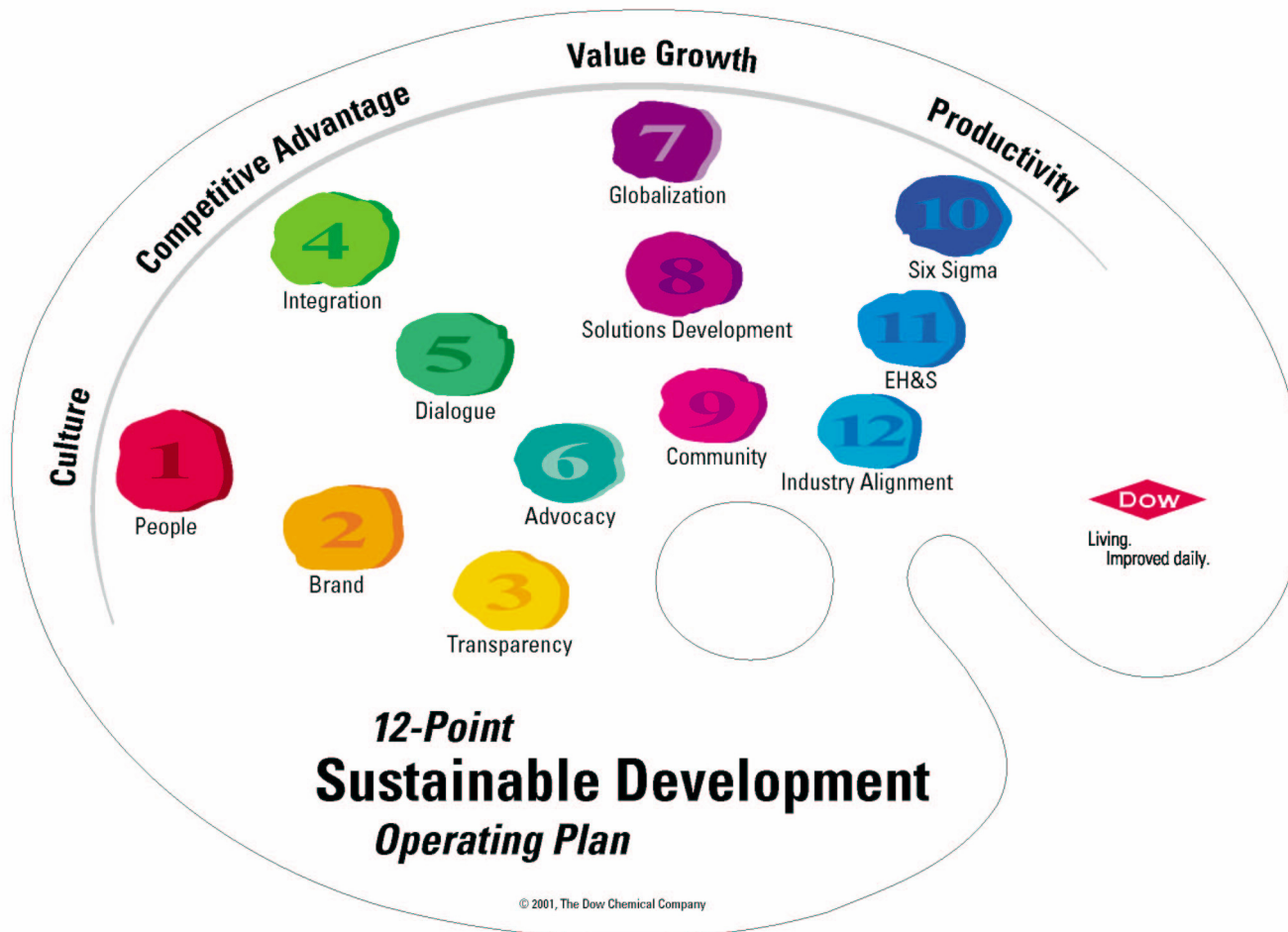
- Stakeholder Partnerships and Dialogue
- Eco-System Integrity
- Employee and Public Outreach
- Equity and Quality of Life

# Leading Up to Now...



# The Strategic Blueprint







*The Dow Chemical Company*  
*12-Point Sustainable Development Operating Plan*

Culture	Competitive Standard	Value Growth	Productivity
1. <b>People:</b> Integration of the principles of sustainable development into our comprehensive People Strategy	4. <b>Integration:</b> Integration of sustainable development principles into business, function and site strategies	7. <b>Globalization:</b> Achievement of value growth in a manner contributing to "Responsible Globalization"	10. <b>Six Sigma:</b> Breakthrough improvements in sustainability through the use of Six Sigma methodology
2. <b>Brand:</b> Education and communication through a corporate reputation and branding strategy	5. <b>Dialogue:</b> Better understanding of diverse viewpoints through active stakeholder partnerships and dialogue	8. <b>Solutions Development:</b> The development and production of value added, essential-to-life products that positively contribute to a sustainable society	11. <b>EH&amp;S:</b> Continuous improvement of Environment, Health, and Safety performance for 2005 and beyond
3. <b>Transparency:</b> Transparency in our activities and performance	6. <b>Advocacy:</b> Proactive management of emerging issues and trends consistent with sustainable development principles	9. <b>Community:</b> Improvement of societal value through corporate contributions, initiatives and activities, volunteerism, and eco-system enhancement projects	12. <b>Industry Alignment:</b> Living the Responsible Care Principles and promoting their implementation throughout the industry



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# **Sustainable Development Success Stories**

# Exploring Sustainable Development – Michigan Source Reduction Initiative

**“Hey, there is a \$100 bill on the floor over there!”**

**“That can’t possibly be a real \$100 bill. If it were, some one would have already picked it up.”**

- MSRI wastes were reduced from 17.5 MM lbs/ year to 11 MM lbs/ year - a 37% reduction
- MSRI emissions were reduced from 1MM lbs/ year to 0.59 MM lbs/ year - a 43% reduction
- 17 projects were identified with a combined ROI of 180% - a savings of \$5.4 MM / year
- Total capital expenditures were \$3.1 MM

# **Dow Sponsored Gulf Coast By-Product Synergy Project**

- Process to Match Under-Valued Waste or By-Product with Potential Users
- Managed Under US Council for Sustainable Development
- Matching Grant From DOE
- Multiple Industry Partners
- 15 Business Units at Three Dow Sites on Gulf Coast Will Participate

# Exploring Sustainable Development – Our Journey to Tanzania



# Sentricon Termite Colony Elimination System





# WOODSTALK\*\* Agrifiber Composite Panels



- Reduced environmental impact
- Lighter weight
- Better machinability
- Improved moisture resistance

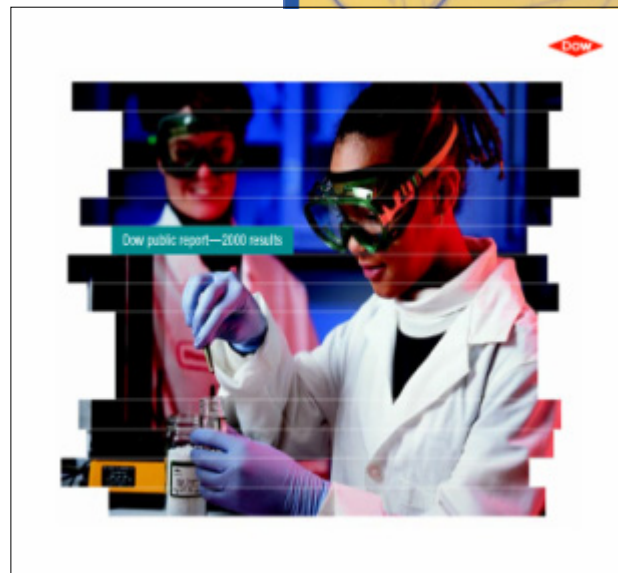
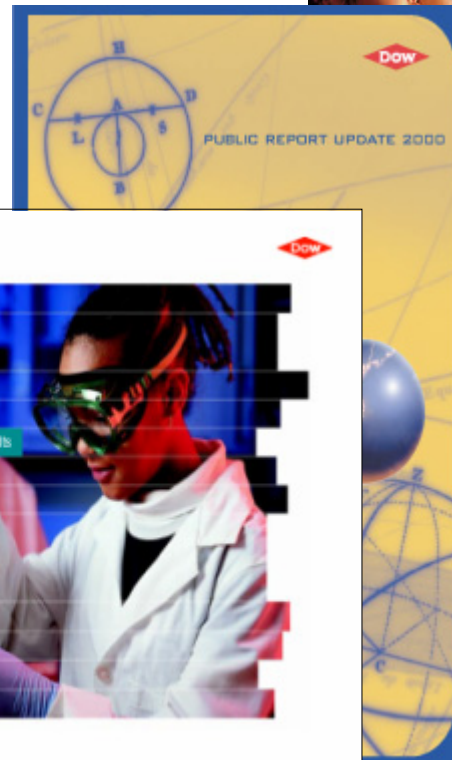
*“The Stone Age didn’t end because we ran out of stones, and the Oil Age won’t end because we have run out of oil!”*

- Amory Lovins  
Rocky Mountain Institute



# Our Journal for the trip...

## The Dow Public Report





Thank You!



**Living.**  
**Improved daily.**